Before The
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

Mailing Online Service

Docket No. MC98-1

RESPONSE OF THE UNITED STATES POSTAL SERVICE
WITNESS GARVEY TO INTERROGATORY OF
OFFICE OF THE CONSUMER ADVOCATE
(OCA/USPS-T1-19)

The United States Postal Service hereby provides the response of witness

Garvey to the following interrogatory of Office of the Consumer Advocate: OCA/USPS-
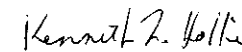
T1-19, filed on July 27, 1998.

Each interrogatory is stated verbatim and is followed by the response.
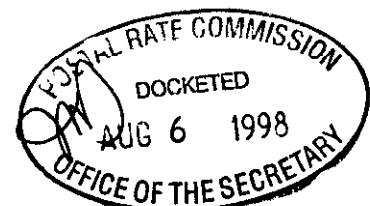
Respectfully submitted,

UNITED STATES POSTAL SERVICE

By its attorneys:

Daniel J. Foucheaux, Jr.
Chief Counsel, Ratemaking

Kenneth N. Hollies

Kenneth N. Hollies

475 L'Enfant Plaza West, S.W.
(202) 268-3083; Fax: -5402
Washington, D.C. 20260-1137
August 6, 1998

POSTAL RATE COMMISSION
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OFFICE OF THE SECRETARY

OCA/USPS-T1-19. Please refer to your testimony at page 10, lines 15-17. You state, "Where possible, files with like printing and finishing options will be merged and batched before transmission to the printer. Each batch address file is presorted to the maximum depth of sort . . . ."

a.   Please define the following terms as used in this statement: (i) "merged," (ii) "batched," (iii) "presorted," (iv) "maximum depth of sort."

b.   For the operation test period, please provide the following estimates.

    i.   Proportion of Mailing Online mailings that were "merged,"
    ii.   Proportion of Mailing Online volume that was "merged,"
    iii.   Proportion of Mailing Online mailings that were "batched,"
    iv.   Proportion of Mailing Online volume that was "batched,"
    v.   Proportion of Mailing Online mailings that were "presorted,"
    vi.   Proportion of Mailing Online volume that was "presorted,"
    vii.   Proportion of Mailing Online volume that received its first piece sort at the entry facility in Texas in an outgoing primary operation,
    viii.   Proportion of Mailing Online volume that received its first piece sort at the entry facility in Texas in an outgoing secondary operation,
    ix.   Proportion of Mailing Online volume that received its first piece sort at the entry facility in Texas in an incoming primary operation,
    x.   Proportion of Mailing Online volume that received its first piece sort at the entry facility in Texas in an incoming secondary operation,
    xi.   Proportion of Mailing Online volume that did not receive its first piece sort at the entry facility in Texas,
    xii.   Proportion of Mailing Online volume that received its first piece sort after dispatch from the entry facility in Texas. (If this proportion is not the same as the proportion requested in subpart xi. immediately above, please explain and reconcile mathematically.)

c.   For the market test period, please provide the following estimates.

    i.   Proportion of Mailing Online mailings that will be "merged,"
    ii.   Proportion of Mailing Online volume that will be "merged,"
    iii.   Proportion of Mailing Online mailings that will be "batched,"
    iv.   Proportion of Mailing Online volume that will be "batched,"
    v.   Proportion of Mailing Online mailings that will be "presorted,"
    vi.   Proportion of Mailing Online volume that will be "presorted,"
    vii.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an outgoing primary operation,
    viii.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an outgoing secondary operation,
    ix.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an incoming primary operation,
    x.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an incoming secondary operation.
    xi.   Proportion of Mailing Online volume that will not receive its first piece sort at the entry facility,

      xii.   Proportion of Mailing Online volume that will receive its first piece sort after dispatch from the entry facility. (If this proportion is not the same as the proportion requested in subpart xi. immediately above, please explain and reconcile mathematically.)

d.   For the experimental test period, please provide the following estimates.

      i.   Proportion of Mailing Online mailings that will be "merged,"

      ii.   Proportion of Mailing Online volume that will be "merged,"

      iii.   Proportion of Mailing Online mailings that will be "batched,"

      iv.   Proportion of Mailing Online volume that will be "batched,"

      v.   Proportion of Mailing Online mailings that will be "presorted,"

      vi.   Proportion of Mailing Online volume that will be "presorted,"

      vii.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an outgoing primary operation,

      viii.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an outgoing secondary operation,

      ix.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an incoming primary operation,

      x.   Proportion of Mailing Online volume that will receive its first piece sort at the entry facility in an incoming secondary operation.

      xi.   Proportion of Mailing Online volume that will not receive its first piece sort at the entry facility,

      xii.   Proportion of Mailing Online volume that will receive its first piece sort after dispatch from the entry facility. (If this proportion is not the same as the proportion requested in subpart xi. immediately above, please explain and reconcile mathematically.)

e.   For the operation test period, please provide the following estimates.

      i.   Proportion of Mailing Online volume that received all four of the above sorts: outgoing primary, outgoing secondary, incoming primary, and incoming secondary (OP, OS, IP, and IS),

      ii.   Proportion of Mailing Online volume that received only the following three sorts: OP, IP, and IS,

      iii.   Proportion of Mailing Online volume that received only the following three sorts: OP, OS, and IS,

      iv.   Proportion of Mailing Online volume that received only the following three sorts: OP, OS, and IP,

      v.   Proportion of Mailing Online volume that received only the following three sorts: OS, IP, and IS,

      vi.   Proportion of Mailing Online volume that received only the following two sorts: OP and OS,

      vii.   Proportion of Mailing Online volume that received only the following two sorts: OP and IP,

      viii.   Proportion of Mailing Online volume that received only the following two sorts: OP and IS,

      ix.   Proportion of Mailing Online volume that received only the following two sorts: OS and IP,

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     x.   Proportion of Mailing Online volume that received only the following two sorts: OS and IS,

     xi.   Proportion of Mailing Online volume that received only the following two sorts: IP and IS,

     xii.   Proportion of Mailing Online volume that received only an OP sort:

     xiii.   Proportion of Mailing Online volume that received only an OS sort:

     xiv.   Proportion of Mailing Online volume that received only an IP sort:

     xv.   Proportion of Mailing Online volume that received only an IS sort:

f.   For the market test period, please provide the following estimates.

     i.   Proportion of Mailing Online volume that will receive all four of the above sorts (OP, OS, IP, and IS),

     ii.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, IP, and IS,

     iii.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, OS, and IS,

     iv.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, OS, and IP,

     v.   Proportion of Mailing Online volume that will receive only the following three sorts: OS, IP, and IS,

     vi.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and OS,

     vii.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and IP,

     viii.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and IS,

     ix.   Proportion of Mailing Online volume that will receive only the following two sorts: OS and IP,

     x.   Proportion of Mailing Online volume that will receive only the following two sorts: OS and IS,

     xi.   Proportion of Mailing Online volume that will receive only the following two sorts: IP and IS,

     xii.   Proportion of Mailing Online volume that will receive only an OP sort:

     xiii.   Proportion of Mailing Online volume that will receive only an OS sort:

     xiv.   Proportion of Mailing Online volume that will receive only an IP sort:

     xv.   Proportion of Mailing Online volume that will receive only an IS sort:

g.   For the experimental test period, please provide the following estimates.

     i.   Proportion of Mailing Online volume that will receive all four of the above sorts (OP, OS, IP, and IS),

     ii.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, IP, and IS,

     iii.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, OS, and IS,

      iv.   Proportion of Mailing Online volume that will receive only the following three sorts: OP, IP, and IS,

      v.   Proportion of Mailing Online volume that will receive only the following three sorts: OS, IP, and IS,

      vi.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and OS,

      vii.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and IP,

      viii.   Proportion of Mailing Online volume that will receive only the following two sorts: OP and IS,

      ix.   Proportion of Mailing Online volume that will receive only the following two sorts: OS and IP,

      x.   Proportion of Mailing Online volume that will receive only the following two sorts: OS and IS,

      xi.   Proportion of Mailing Online volume that will receive only the following two sorts: IP and IS,

      xii.   Proportion of Mailing Online volume that will receive only an OP sort:

      xiii.   Proportion of Mailing Online volume that will receive only an OS sort:

      xiv.   Proportion of Mailing Online volume that will receive only an IP sort:

      xv.   Proportion of Mailing Online volume that will receive only an IS sort:

h.   Please provide, separately for the operation, market, and experimental test periods, estimates of the downflow densities of Mailing Online volume, from acceptance through delivery.

i.   Please provide, separately for the operation, market, and experimental test periods, a description of all mail processing steps that Mailing Online pieces could pass through, from acceptance through first piece handling.

j.   During the experimental test period, will the Postal Service collect data responsive to this interrogatory? If not, why not?

RESPONSE:

a.   As used in my testimony, the following terms are defined:

      i.   "merged" means combined;

      ii.   "batched" means aggregated into a single file;

      iii.   "presorted" means to be sorted prior to entry; and

      iv.   "maximum depth of sort" means the greatest extent of sortation possible within a given batch.

b.   Operational test estimates:

   i-vi.   These proportions have not been calculated or estimated. The

   operations test is not intended to, nor should it, serve as a model or

   proxy for any usage patterns that could be observed during the

   market test or experiment. Moreover, details of post-entry mail

   processing will be wholly unrelated to requested Mailing Online

   fees, since they are based solely upon pre-mail costs. Once

   entered, I understand that Mailing Online pieces are handled in

   accord with their automation compatible characteristics.

   vii-xi.   None of the operational test volume has been sorted at the entry

   facility since it is promptly sent via Express Mail dropship to plants

   in Tampa and Hartford, depending upon the customer's location.

   xii.   All Mailing Online operational volume received its first piece sort

   after dispatch from the entry facility (due to drop shipment

   handling).

c.   As explained in the response to part (b) of this interrogatory, no estimates

   are available for the market test period.

d-i.   The dearth of available information precludes answering this question,

   which is why the Postal Service is requesting a market test and

   experiment in this proceeding. See also, my response to part (b), above.

j.   Since the proposed Mailing Online fees are based solely upon pre-mail

   costs, and Mail Online pieces are processed in conformity with existing

   procedures and capabilities, there is no need to study these issues.

Collection of Mail Online mailpiece characteristics data will suffice for

informing any determination regarding the appropriate mail categories in

which any permanent Mail Online mailpieces should be entered.
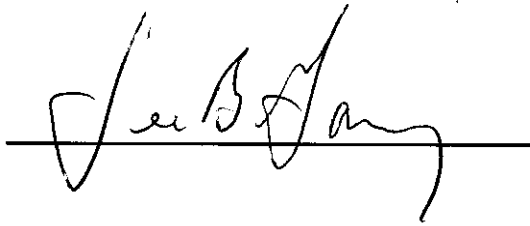
CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all

participants of record in this proceeding in accordance with section 12 of the Rules of

Practice.

Kenneth N. Hollies

Kenneth N. Hollies

475 L'Enfant Plaza West, S.W.
Washington, D.C. 20260-1137
August 6, 1998

DECLARATION

I, Lee Garvey, declare under penalty of perjury that the foregoing answers are true and correct, to the best of my knowledge, information, and belief.

Dated: _August 6, 1998_